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DRAFT

ARA - Mr. John Hugh Grimmins

ARA/APU - Samuel D. Eaton

Possible USG Contribution to Reward for Information Leading to Release of Dr. Fly

In telegrams to Montevideo dated September 4, 1970 (RCI 24710) (Tab 2) and August 21, 1970 (RCI 23301) (Tab 4), we indicated the USG would be willing to consider contributing to a reward. The amount/of \$10,000 and \$20,000 was mentioned, but it was never clearly stipulated to Amembassy Montevideo what the upper limit should be. The September 4 telegram (RCI 23301) was cleared by Joe Donelan in O/BF, who agreed in principle with providing USG funds for a reward, if the Uruguayan Government could not provide all of the funds itself. He states that it was never definitely pinned down what appropriation the funds would come from, or the maximum amount we would provide, but he believes that we could in the final analysis come up with \$10,000 to \$20,000.

On September 7, Chuck Adair raised with Foreign Minister Peirano Facio the matter of a large cash reward for information leading to the release or rescue of Dr. Fly and apprehension and/or

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conviction of those responsible for the kidnapping (RCI 23710 and Montevideo 117) (Tabs 1 and 2). At that time, the Foreign Minister doubted that a reward would be effective, but said he would discuss the matter with President Pacheco.

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We did not, however, pursue the matter with the GOU, since a few days later (September 10) the question of publication of the MLN manifesto first came into play, and it was believed that this offered a more promising prospect of obtaining Fly's release.

I do not believe that we should in any way take the initiative to encourage the Uruguayans on the possibility of our making a contribution to an increased reward offer. If only as a matter of pride, and a demonstration of their responsibility, it would seem to me that they should want to fund it. Nevertheless, I believe that we should be prepared to indicate our willingness to make a contribution of as much as \$20,000 should the initiative begin to bog down over availability of money. And I think we should so inform Chuck Adair. I am thinking in terms of the reward offer being increased to \$20,000 for information from any individual leading to khs the safe release or rescue of Fly or Gomide, and of the possibility that three or four such rewards being paid out in the end.

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Attachments:

Tab 1 - Montevideo 117

Tab 2 - RCI 24710

Tab 3 - Montevideo 116

Tab 4 - RCI 23301

Tab 5 - Montevideo 1969

Clearance:

ARA - R. A. Hurwitch

cc: LA - Mr. Kleine

SECRET

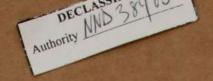
ARA/APU: DWCox: SDEaton: hsm

12/10/70



Duy U.S. Survey -

URUGUA.



OPTIONAL FORM NO. 10 MAY 1962 EDITION GSA FPMR (41 CFR) 101-11.8

UNITED STATES GOVERNMENT

Memorandum

UNCLASSIFIED

TO : ARA-LA - Mr. Charles A. Meyer

DATE: December 10, 1970

FROM : ARA-LA/APU - Edward Marasciuldly

SUBJECT: Kleindienst Statement on Kidnappings - INFORMATION MEMORANDUM

Last evening CBS carried an extensive report on political kidnappings, including a press interview with Mr. Cross held in London; an explanation of the plight of the Swiss Ambassador in Brazil; and a clip on the German Consul, who was kidnapped in Spain. Following the above three clips, it was announced that Mr. Kleindienst, Deputy Attorney General, had been queried by the press on the question that British journalists put to Mr. Cross in London, i.e., what should be our policy in negotiating with terrorists on political kidnappings? Mr. Cross' response to the question was "I have given a great deal of thought to this question over the past six weeks and quite frankly I do not have the answer." Mr. Kleindienst was quoted as saying: "Leaving aside the President and Vice President and their families, I'd recommend they not barter. There's no way you can protect everyone - the Cabinet, Senators, Congressmen. It would be better to make one sacrifice, then there would never be another incident....There isn't really an effective way to prevent a kidnap." Today's New York Times verifies the statement and a copy is attached.

This morning Ambassador Luisi called to inform me that he was leaving today for Ottawa where he is to present his credentials (the Canadians have closed their embassy in Montevideo and the Uruguayans have followed suit by closing their embassy in Ottawa. Ambassador Luisi is now accredited to both countries.) During our conversation Ambassador Luisi mentioned that he had During our conversation Ambassador Luisi mentioned that he had read the article in the New York Times today quoting Kleindienst and said to me in a friendly but far from joking manner "now I know where I stand in the event I am kidnapped -- maybe I should take up residence in Ottawa where they have a more defined policy on kidnapping."

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- 2 -

This morning in a conversation between Ed Nef and John Fly, the sone of Dr. Claude Fly, John Fly asked whether we had seen the evening television show which quoted Kleindienst. John then went on to ask "doesn't the Justice Department talk to you people in the State Department on such matters?" He then expressed amazement that such a statement, with wide international repercussions, could be made without State Department national repercussions, could be made without State Department Kleindienst had spoken with prior approval from State Department Kleindienst had spoken with prior approval from State Department officials, but assured John that the Department was aware of the implications such a statement might have abroad, particularly with respect to his Father's case.

We are checking with Kleindienst's office to ascertain the validity of his statement.

Attachment - Clipping from New York Times

cc: ARA-LA - Mr. Hurwitch O - Mr. Macomber

ARA-LA/APU: EMarasciulo: cjs

THE NEW YORK TIMES

December 10, 1970

DECEMBER 10, 1970 VEW YORK Lide Would Bar Negotiating To Free Kidnapped Officials

WASHINGTON, Dec. 9 (UPI, families, it recommend they Deputy Attorney General not barter," he replied. "There's would recommend that any victims other than the President Vice President or their familie. On sacrificed rather than ransomed if they were ever kidnapped by political terrorists.

Mr. Kleindienst, who said he orate, but he made it clear he had received threats against his own life, discussed the matter in an interview. He was asked now he thought the United dents of political abductions would react in a situation like the recent politica. "There isn't really an effective way to prevent a kidnap," would not be met, incidents would end. "There isn't really an effective way to prevent a kidnap," the did not worry about it and elsewhere, where terrorists Mr. Kleindienst said. But he said elsewhere, where terrorists Mr. Kleindienst said. But he said elsewhere, where terrorists Mr. Kleindienst said. But he said the for captives held by the government.

"Leaving aside the President night than he did from would-and Vice President and their be kidnappers or killers."

ARALATU /7,

December 9, 1970

ATION MEMORANDUM

Paraguayan and lecember 4 and 5 explore possible Minister of Foreign stressed how diffiment to understand nment to permit hat it would seem ic steps that might to your conversation nat the Uruguayan regarding what it

> case began to being pursued somewhat similar ross case. It

-0 the Klunappers that they would be permitted to leave the country if they took asylum in an Embassy. At the same time an increased reward might be offered for information leading to the release of Fly or the kidnapped Brazilian diplomat, Gomide. The increased reward would provide an extra incentive for the kidnappers' accepting the possibility of releasing Fly and leaving the country.

There is, of course, no guarantee that President Pacheco will agree to this new approach, or even that it would yield the desired results. But it is worth a try.

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ARA ATU /).

DEPARTMENT OF STATE ASSISTANT SECRETARY

SECRET - LIMDIS

December 9, 1970

TO:

The Under Secretary

THROUGH:

s/s

FROM:

Charles A. Meyer (Mu

SUBJECT:

The Fly Kidnapping - INFORMATION MEMORANDUM

The Acting Director for Argentine, Paraguayan and Uruguayan Affairs was in Montevideo on December 4 and 5 to review the status of the Fly case and explore possible next steps. During calls on the Acting Minister of Foreign Affairs and the Minister of Interior, he stressed how difficult it was for the United States Government to understand the unwillingness of the Uruguayan Government to permit publication of the manifesto, and said that it would seem publication of the manifesto, and said that it would seem now be taken. In so doing, he referred to your conversation with Ambassador Luisi, and to the fact that the Uruguayan Government had not replied to your query regarding what it now planned to do.

A new potential solution to the Fly case began to develop in these conversations and is now being pursued further by Ambassador Adair. It would be somewhat similar to the Canadian formula for solving the Cross case. It would involve getting word to the kidnappers that they would be permitted to leave the country if they took asylum in an Embassy. At the same time an increased reward might be offered for information leading to the release of Fly or the kidnapped Brazilian diplomat, Gomide. The increased reward would provide an extra incentive for the kidnappers' accepting the possibility of releasing Fly and leaving the country.

There is, of course, no guarantee that President Pacheco will agree to this new approach, or even that it would yield the desired results. But it is worth a try.

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The attached draft memoranda of conversations provide further background.

Attachments:

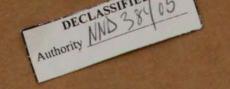
Tab A - Memorandum of Conversation with Ricaldoni of December 4, 1970

Tab B - Memorandum of Conversation with Francese of December 5, 1970

After introductory formalities, Mr. Eason saked whether

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Clearance: ARA - John Hugh Crimmins



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MEMORANDUM OF CONVERSATION

Subject: Fly Kidnapping

Participants: URUGUAY

Acting Minister of Foreign Affairs Ricaldoni

UNITED STATES

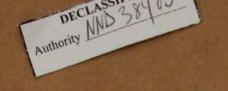
Ambassador Charles W. Adair, Jr. Mr. Samuel D. Eaton, Acting Country Director, ARA/API

Place: Ministry of Foreign Affairs, Montevideo, Uruguay

Time: December 4, 1970

After introductory formalities, Mr. Eaton asked whether he could speak frankly regarding the Fly case. He said that it was very difficult for the U.S. Government to understand the unwillingness of the Uruguayan Government to permit publication of the manifesto. The Uruguayan Government's explanation given through Ambassador Luisi had some logic, but still did not fully explain why some way could not have been found to follow this course, which had seemed to have potential for Fly's release at little cost. We still hoped that this course might be followed should the opportunity again rise. Meanwhile, we thought it desirable to think

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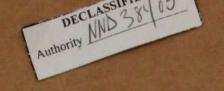
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about and discuss what else might be done. Mr. Irwin had asked what the Uruguayan Government now planned to do, but there had been no answer. It would seem useful to interchange ideas in as specific a form as possible.

Ricaldoni asked if the Ambassador and Mr. Eaton would like to talk to the Minister of Interior and his Under Secretary. He would not encourage us on any change on the manifesto issue, but he felt that Minister of Interior Francese was at a point where he was looking for a new approach. When the Ambassador agreed, Ricaldoni called Under Secretary Piran, but, when he couldn't get him, talked with Minister Francese and arranged an appointment for the next morning. (He said parenthetically that he deliberately had called Piran first because Piran was sensitive and they didn't get along too well.)

Ricaldoni offered suggestions on a purely personal and confidential basis for approaching Francese, asking that he not be mentioned to Francese as the source of the suggestions. He said that about three weeks previously a highly respected lawyer in the Ministry of Foreign Affairs had come to him to ask a question on behalf of two

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Tupamaros who had passed it on through another lawyer.

The question was whether the Government would let them

leave the country to go to Chile if they took refuge in

the Chilean Embassy. Ricaldoni had asked Francese, who

had said that of course the Government would. It had a

long tradition of respecting the right of asylum and giving

safe conduct to asylees. The assumption was, of course,

that the Tupamaros were not in jail, and that there thus

would be no interference with the judicial process.

Ricaldoni had passed this word back through the lawyer

channel.

Ricaldoni thus implied that there might be a way to give safe conduct out of the country to, for instance, those presently holding Fly. This would come close to the Canadian solution. (The Ambassador had planned to raise the Canadian solution with Ricaldoni and did so.)

Ricaldoni said that he also could think of many other ideas. One was the possibility of increasing the reward that was being offered for information leading to the release of Fly and Gomide. But it would be best for the Ambassador and Mr. Eaton first to talk to the Minister of Interior and then come back to discuss the matter further

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with him and the Foreign Minister, who would return on the weekend.

During the conversation, Ricaldoni replied to a question by the Ambassador by saying that he felt sure that the Government did not know where Fly and Gomide were. He also commented that he saw no hope of changing the President's mind on publication of the manifesto.

Comment:

Ricaldoni appears to be a bright, able, frank young man who sincerely wants to do all he can to be helpful.

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CONFIDENTIAL LIMDIS DRAFT

MEMORANDUM OF CONVERSATION

Subject: Fly Kidnapping

Participants: URUGUAY

Minister of Interior Francese

UNITED STATES

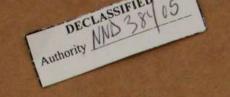
Ambassador Charles W. Adair, Jr. Mr. Samuel D. Eaton, Acting Country Director, ARA/APU

Place: Ministry of Interior, Montevideo, Uruguay

Time: December 5, 1970

After beginning pleasantries, Mr. Eaton made the same general introduction to Minister Francese regarding the difficulty which the United States had in understanding the Uruguayan Government's decision not to permit publication of the manifesto as he had made the previous day to Under Secretary for Foreign Affairs Ricaldoni. He went into detail on Mr. Irwin's conversation with Ambassador Luisi because Francese said he had not heard of that conversation. He also expressed concern that there might be a human tendency for the police to relax after such a long period of trying

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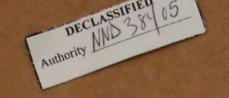
to apprehend the kidnappers of Fly and Gomide and to obtain their release. He asked what the government's plans for the future were.

The Minister said that there was no relaxation. There continued to be daily searches.

His explanation of the government's decision not to permit publication of the manifesto was vague. It included the fact that some papers seemed to resist publication, the fact that the manifesto had already been published by some others, apparent concern that publication would not yield results, the government's ire over the viciousness of the manifesto, and the imposition of prior censorship which would have made it necessary for the government to take an overt act to permit publication. He quite evidently had not been brought into the government's official explanation to the United States.

The Ambassador spoke of the Canadian solution to the Cross case and asked if that might be used in Uruguay.

During the conversation the idea was elaborated on to include the thought that the kidnappers might be permitted to leave through first seeking asylum in an embassy. The Minister was non-committal. He said it would be a matter of higher



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government policy, and suggested that the Ambassador pursue it with the Minister of Foreign Affairs upon his return.

The Ambassador asked whether the Minister thought an increase in the amount offered as reward for information leading to the release of Fly and Gomide might be helpful. The Minister said that it might.

The Ambassador said that he had heard from some sources the opinion that the Government knew where Fly and Gomide were but was afraid to do anything for fear of their being killed. The Minister said categorically that the Government did not know where they were, and that the police were continuing the search without any inhibitions. They could not sit back. They had to take risks.

The Ambassador asked the Minister whether he thought an increase in the amount of the reward offered for information would increase the risk to the life of Fly and Gomide. The Minister said that he did not.

The Ambassador asked whether there were contacts with the Argentine and Brazilian police forces against the possibility that Fly and Gomide had been taken across borders. Authority NND 380 05

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The Minister said that there were very good and continuing contacts among the three forces. However, the borders were long. He did not completely discount the possibility that Fly and Gomide might be in Argentina or even Brazil. The Ambassador said that continuing contacts among the police forces of the three countries was important not only because of the kidnappings but also because of the common terrorist threat.

Comment:

The Minister is an elderly General who is very gracious and attractive personally but who probably leaves a large part of the running of his Ministry to Under Secretary Piran.

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Authority MND 389 05

not cleared or used

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FOR CFR
"ARA NOTES"

International Red Cross Representative Fails to Obtain Release of Dr. Claude Fly

A representative of the International Committee of the Red Cross (ICRC) left Montevideo on November 21, after nearly a month's efforts to obtain the release of U.S. agricultural specialist Dr. Claude Fly, who has been held by the Uruguayan Tupamaro guerrilla organization since August 7. The ICRC had sent the representative to Montevideo at the request of Dr. Fly's family, after having received assurances of USG support for the inia-The ICRC representative's efforts centered on trying to convince the Government of Uruguay (GOU) and Uruguayan media executives to publicize a Tupamaro manifesto in newspaper, radio, and television outlets specified by the Tupamaros, since they had indicated that was their condition for the release of Dr. Fly. After early indications that the GOU would go along with the publicizing of the manifesto under Uruguayan Red Cross sponsorship, the GOU blocked publicizing of the manifesto under prior censorship regulations, in accordance with its "no dealings with kidnappers" policy.

GROUP-4

Downgraded at 3-year intervals.

Declassified 12 years after date
of origin.

ARA/APU/U:DWCox:tag 11/30/70 ARA/APU - Mr. Eaton



DEPARTMENT OF STATE
ASSISTANT SECRETARY

ARA ATU/20 15802

CONFIDENTIAL

November 23, 1970

TO:

The Acting Secretary

FROM:

ARA - Charles A. Meyer

SUBJECT:

Talking Points for Meeting with Uruguayan Ambassador Luisi BRIEFING MEMORANDUM

- 1. We had hoped that the International Red Cross effort to secure the release of Dr. Claude Fly, undertaken at the request of Dr. Fly's family, would be successful; and we had been pleased that it seemed to be proceeding well until the middle of last week.
- 2. We are concerned that it now seems to have broken down with the denial late last week by police officials of one newspaper's request for approval of publication of the manifesto.
- 3. We are puzzled as to why, particularly since our Ambassador had previously been told by the Uruguayan Foreign Ministry that the Uruguayan Government would not prevent the publication of the Tupamaro manifesto as a paid ad by the Uruguayan Red Cross.
- 4. We hope that publication will still be permitted in return for Dr. Fly's release. It seems to us to be small price to be paid for his freedom.
- 5. We wonder what further measures the Uruguayan Government is thinking of taking to secure Dr. Fly's release if this course is not followed.

Clearance:

MICROFILMED

ARA - Robert A. Hurwitch

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Downgraded at 12-year intervals; not automatically declassified.

BY S/S: CMS